



Indicators

- ↗ Corporate prime rate in soles at 4.53 percent
- ↗ Interbank interest rate in soles at 4.26 percent
- ↗ Exchange rate: S/. 2.783 per US dollar
- ↗ Credit to the private sector increased 0.9 percent in May

Content

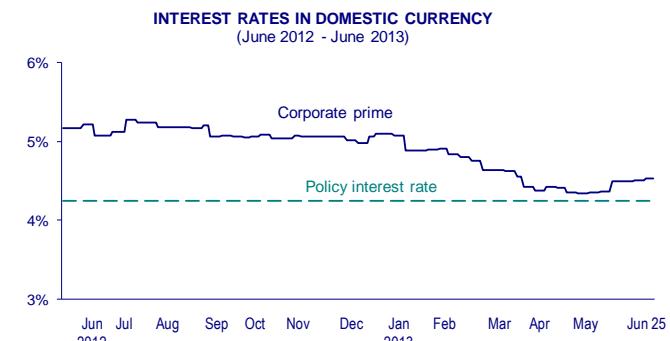
- Corporate prime rate in nuevos soles at 4.53 percent
- Average interbank rate at 4.26 percent
- Foreign exchange rate: S/. 2.783 per US dollar
- Net international reserves amount to US\$ 67.13 billion
- Liquidity and credit to the private sector at May 31
- Country risk at 211 basis points
- Lima Stock Exchange

ix
ix
xi
xi
xii
xiii
xvi

Corporate prime rate in nuevos soles at 4.53 percent

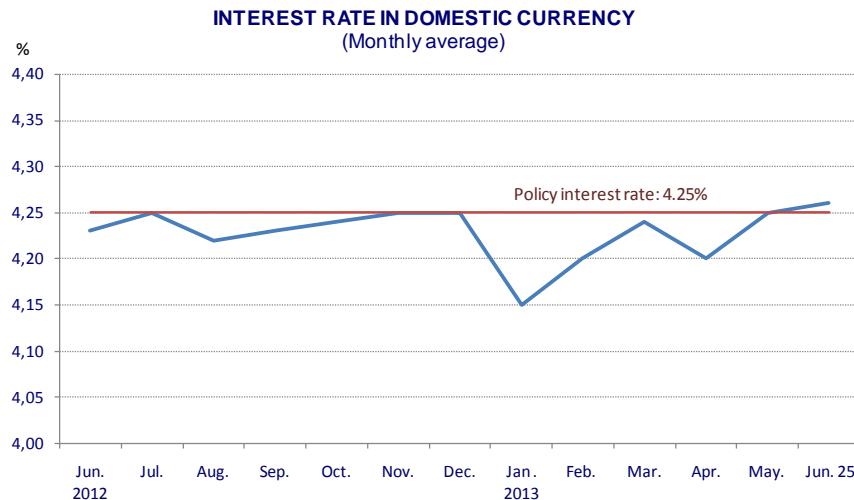
Between June 18 and 25, 2013, the average **corporate prime rate** in soles rose from 4.51 to 4.53 percent.

On the other hand, the average corporate prime rate in dollars fell from 2.48 to 2.46 percent in this period.



Average interbank rate at 4.26 percent

The average **interbank interest rate** in domestic currency at June 25 registered 4.26 percent.



Average interbank rate	
December 2011	4.24%
January 2012	4.23%
February	4.23%
March	4.25%
April	4.24%
May	4.24%
June	4.23%
July	4.25%
August	4.22%
September	4.23%
October	4.24%
November	4.25%
December	4.25%
January 2013	4.15%
February	4.20%
March	4.24%
April	4.24%
May	4.25%
June 25	4.26%

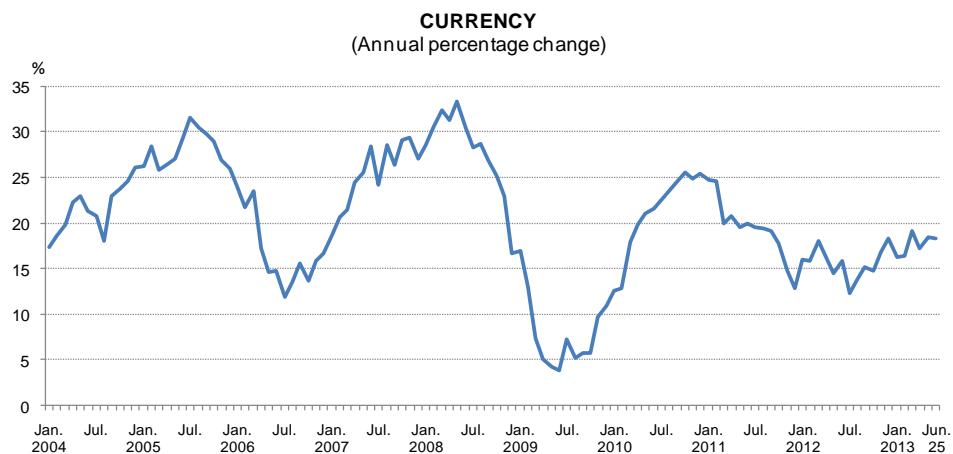
Monetary operations

Between June 19 and 25, 2013, the Central Bank made the following **monetary operations**: i) auctions of 78-day to 357-day CDBCRP for a daily average of S/. 100 million. The average rate on these operations, which reached a balance of S/. 27.21 billion, was 4.08 percent; ii) auctions of 1-day and 3-days term deposits in soles for a daily average of S/. 6.42 billion at an average rate of 4.15 percent, which reached a balance of S/. 6.40 billion; iii) i) auctions of 2-months CDRBCRP for a daily average of S/. 355 million. The average rate on these operations, which reached a balance of S/. 1.70 billion, was 0.15 percent; iv) sales of foreign currency (US\$ 200 million) to the Treasury, and iv) overnight deposits in soles for a daily average of S/. 15 million.

resumen informativo

Currency in circulation: S/. 31.66 billion at June 25, 2013

Between June 18 and 25, **currency in circulation** increased by S/. 159 million to S/. 31.66 billion, registering a growth rate of 18.3 percent in the last 12 months.



BCRP OPERATIONS

(Millions of nuevos soles)

	BALANCE			FLOWS		
	Dec 31, 2012	May 31, 2013	Jun 25, 2013	2013*	Jun-13 *	From 06/18 to 06/25
I. NET INTERNATIONAL POSITION (Millions of US\$)	<u>117,462</u> 46,063	<u>132,148</u> 48,406	<u>130,319</u> 46,877	<u>1,718</u> 814	<u>-4,242</u> -1,528	<u>-5,252</u> -1,897
1. Exchange Operations				<u>1,933</u>	<u>-1,100</u>	<u>-1,099</u>
a. Over the counter operations				5,210	0	0
b. Public sector				-3,292	-1,100	-1,100
2. Rest				<u>-1,119</u>	<u>-429</u>	<u>-798</u>
II. NET DOMESTIC ASSET	<u>-85,217</u>	<u>-100,622</u>	<u>-98,662</u>	<u>-2,306</u>	<u>4,374</u>	<u>5,411</u>
1. Monetary Sterilization	<u>-51,567</u>	<u>-58,109</u>	<u>-57,397</u>	<u>-5,830</u>	<u>712</u>	<u>280</u>
a. Certificates and Term deposits	-30,053	-34,033	-35,306	-5,253	-1,274	-1,215
BCRP Certificates of Deposit (CDBCRP)	-20,805	-27,337	-27,211	-6,406	126	-450
CDR BCRP	0	-540	-1,695	-1,695	-1,155	-1,065
Term Deposits	-9,248	-6,156	-6,400	2,848	-244	300
b. Reserve requirements in Domestic Currency	-20,491	-23,499	-21,498	-1,008	2,001	1,462
c. Other monetary operations	-1,024	-577	-593	431	-16	33
2. Fiscal Sterilization	<u>-39,939</u>	<u>-42,994</u>	<u>-40,758</u>	<u>-819</u>	<u>2,236</u>	<u>2,820</u>
3. Other	<u>6,289</u>	<u>480</u>	<u>-507</u>	<u>4,344</u>	<u>1,426</u>	<u>2,311</u>
III. CURRENCY **	<u>32,244</u> (Monthly percentage change)	<u>31,525</u> (Accumulated percentage change)	<u>31,656</u> (YoY)	<u>-588</u>	<u>131</u>	<u>159</u>
	10.6%	-0.5%	0.4%			
	33.6%	-2.2%	-1.8%			
	18.3%	18.5%	18.3%			

* As of June 25, 2013.

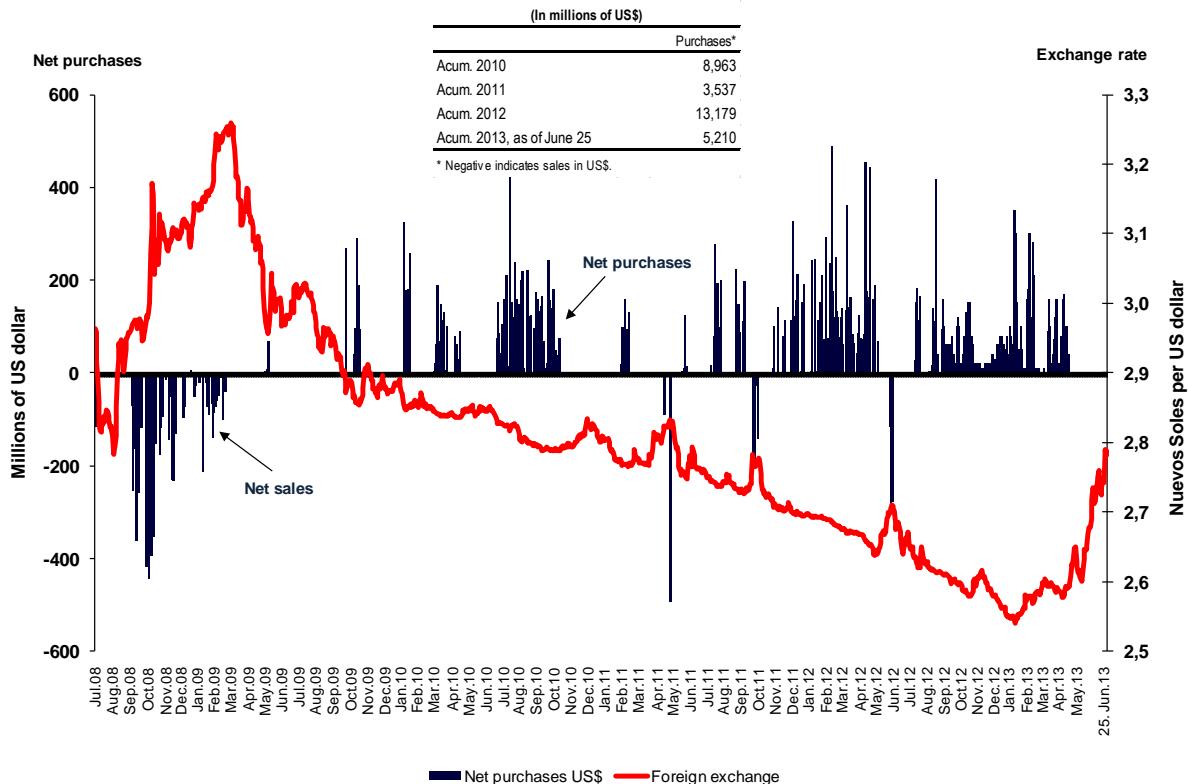
** Preliminary data.

resumen informativo

Foreign exchange rate: S/. 2.783 per US dollar

Between June 18 and 25, the average **selling price of the dollar** in the interbank market rose from S/. 2.750 to S/. 2.783 per dollar, which represents an depreciation of the nuevo sol of 1.21 percent. In this period, the BCRP did not intervene in the foreign exchange market.

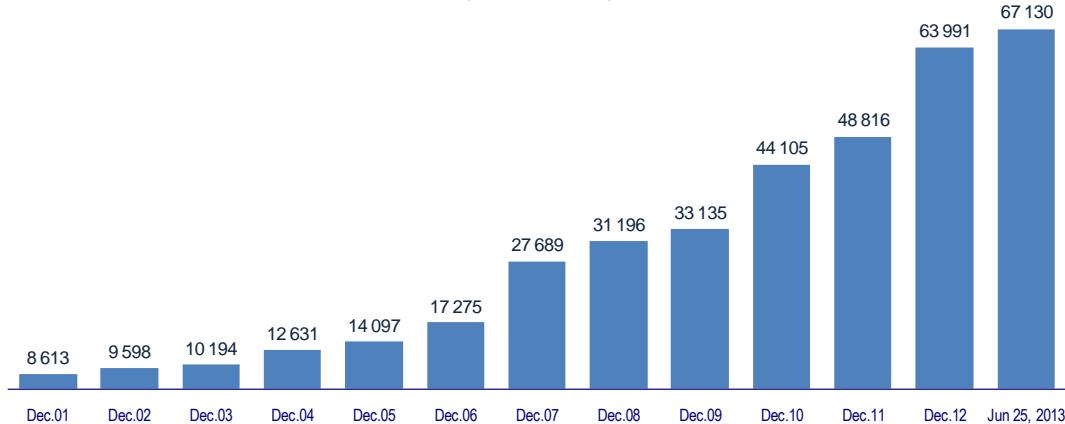
EXCHANGE RATE AND NET DOLLAR PURCHASE



Net international reserves amount to US\$ 67.13 billion

Net international reserves (NIRs) at June 25, 2013, totaled US\$ 67.13 billion. This amount of reserves is higher by US\$ 3.14 billion than the one recorded at end 2012. Moreover, the **foreign exchange position** of BCRP on June 25 was US\$ 46.88 billion, US\$ 814 million higher than at end-2012.

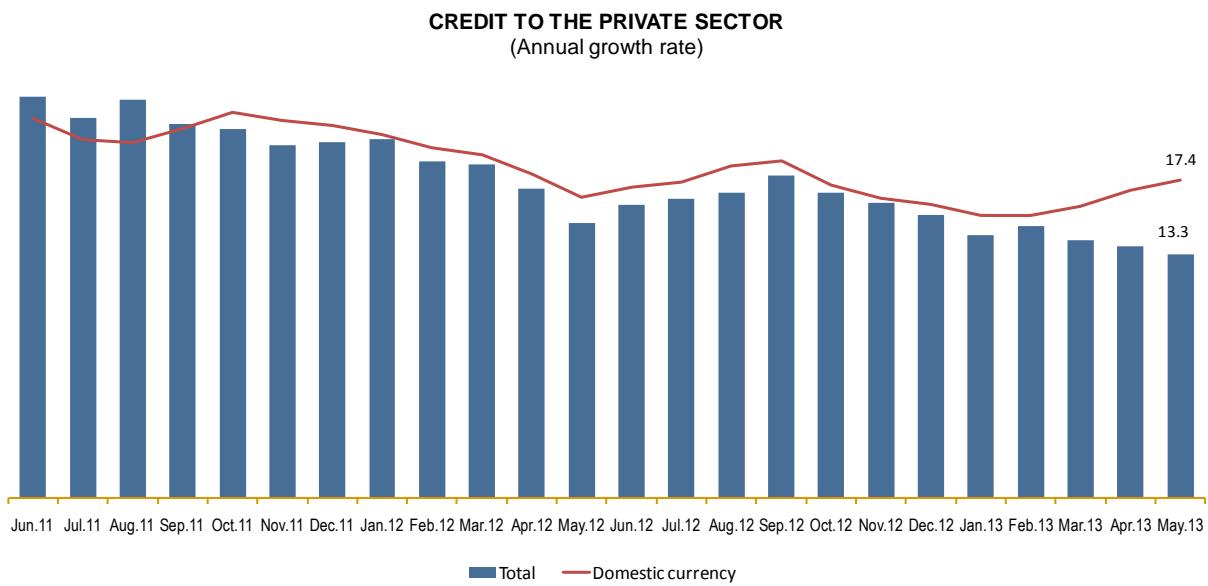
INTERNATIONAL RESERVES
(Millions of US\$)



Liquidity and credit to the private sector at May 31

Total credit to the private sector rose 0.9 percent in May (S/. 1.61 billion). With this, the growth rate of credit to the private sector in annual terms was 13.3 percent (13.8 percent in April).

Credit to the private sector in soles grew 1.4 percent in May (S/. 1.43 billion) and thus accumulated a growth rate of 17.4 percent in the last twelve months (16.8 percent in April), while credit to the private sector in dollars rose 0.2 percent in May (US\$ 69 million) and grew 8.1 percent in the last 12 months (9.8 percent in April).



By credit segments, credit to households grew at a higher rate than corporate loans. Thus, the credit to businesses grew 0.6 percent in May (0.5 percent in April), while credit to individuals grew 1.5 percent (1.3 percent in April). Within the latter segment, consumer loans registered a monthly growth rate of 1.4 percent in May (1.0 percent in April), while mortgage loans showed a monthly growth rate of 1.7 percent, similar to the rate in April.

TOTAL CREDIT TO THE PRIVATE SECTOR, BY TYPE OF LOAN

	Balance in million of Nuevos Soles			Growth rates (%)		
	May-12	Apr-13	May-13	May-13/Apr-13	Apr-13/Apr-12	May-13/May-12
<u>Loans to companies 1/</u>	<u>98,463</u>	<u>109,171</u>	<u>109,818</u>	<u>0.6</u>	<u>11.9</u>	<u>11.5</u>
Foreign trade	8,117	9,280	9,524	2.6	21.7	17.3
Rest	90,346	99,890	100,295	0.4	11.0	11.0
<u>Loans to individuals 2/</u>	<u>55,136</u>	<u>63,309</u>	<u>64,267</u>	<u>1.5</u>	<u>17.2</u>	<u>16.6</u>
Consumer loans	33,611	37,169	37,683	1.4	12.8	12.1
Mortgage	21,525	26,139	26,584	1.7	24.0	23.5
Total	<u>153,599</u>	<u>172,479</u>	<u>174,085</u>	<u>0.9</u>	<u>13.8</u>	<u>13.3</u>

1 / Includes loans to legal persons and holdings of corporate bonds, including loans from foreign branches of banks.

2 / Includes persons non profit legal.

resumen informativo

Total liquidity in the private sector declined 0.3 percent in May (negative flow of S/. 592 million) and accumulated an annual growth rate of 13.3 percent (14.5 percent in April). This decline in liquidity in May resulted from a lower demand for currency in circulation and demand deposits, which registered a decline of 0.7 percent and 4.1 percent, respectively, in May. On the other hand, term deposits grew in May as a result of increased deposits in CTS in May (17.1 percent or S/. 2.01 billion in May).

Liquidity in soles grew 0.4 percent in the month (S/. 489 million) and thus registered a growth rate of 19.6 percent in the last 12 months (21.2 percent in April), while liquidity in dollars fell 2.0 percent in May (negative flow of US\$ 424 million) and registered a growth rate of 0.3 percent compared to May 2012 (1.2 percent in April).

LIQUIDITY BY TYPE OF LIABILITY

	Balance in million of Nuevos Soles			Growth rates (%)		
	May-12	Apr-13	May-13	May-13/Apr-13	Apr-13/Apr-12	May-13/May-12
Currency	26,593	31,416	31,193	-0.7	16.3	17.3
<u>Deposits</u>	<u>131,449</u>	<u>148,238</u>	<u>147,553</u>	<u>-0.5</u>	<u>14.0</u>	<u>12.3</u>
Demand deposits	40,376	45,129	43,291	-4.1	11.8	7.2
Saving deposits	36,697	41,762	41,544	-0.5	13.1	13.2
Term deposits	54,377	61,348	62,718	2.2	16.3	15.3
CTS	10,912	11,760	13,771	17.1	28.3	26.2
Securities and others 1/	1,737	1,971	2,288	16.1	31.3	31.7
Total	159,780	181,625	181,034	-0.3	14.5	13.3

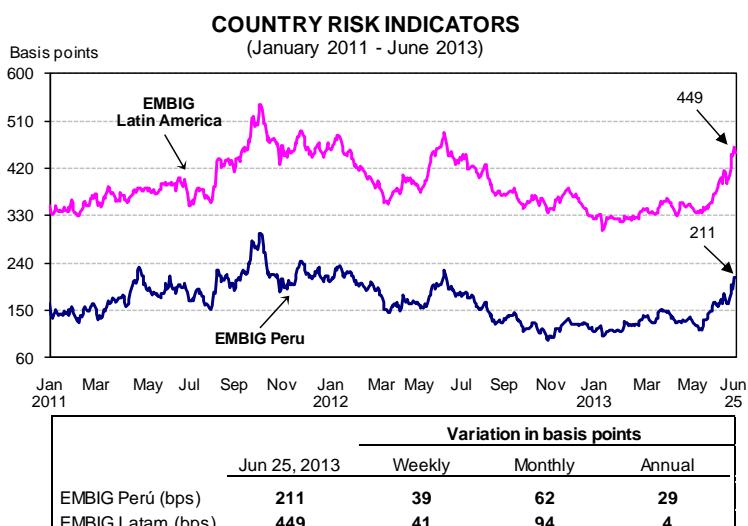
1/ Includes debt securities and other obligations issued by the depository corporations and by non-financial private sector.

International Markets

Country risk at 211 basis points

In June 18-25, the country risk indicator, measured by the **EMBIG Peru** spread, rose from 172 to 211 basis points.

Likewise, the EMBIG Latin America spread increased 41 basis points due to higher expectations that Fed will reduce its monetary stimulus at the end of the year.

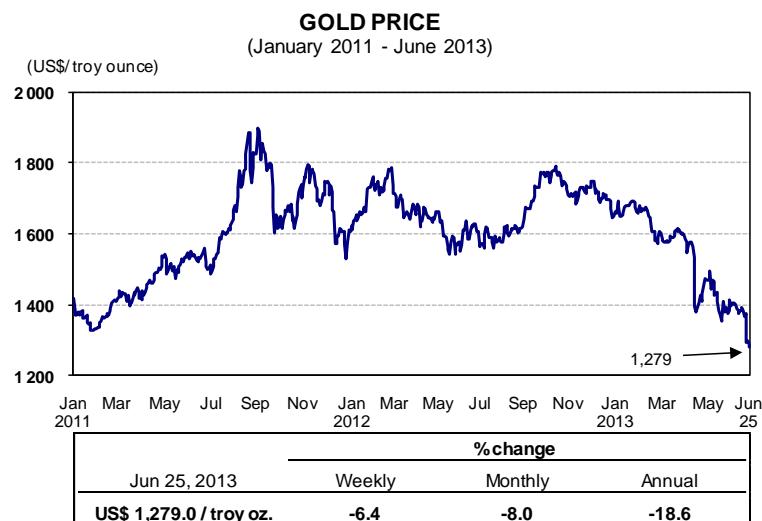


resumen informativo

Price of gold: US\$ 1,279 per troy ounce

In the same period, the price of **gold** fell 6.4 percent to US\$ 1,279.0 per troy ounce, recording its lowest level since 2011.

The price of gold dropped due to the strength of the dollar against the euro and due to the Fed's announcement that it will begin to reduce monetary stimulus at the end of the year.



Between June 18 and 25, the price of **copper** fell 3.5 percent to US\$ 3.05/pound.

The price of copper declined due to signals of a lower demand from Asian countries after the increase of inventories at the Shanghai Metal Exchange and due to expectations of a lower demand, exacerbated by liquidity problems, due to fears that China's economic growth will slow down.,.



In June 18-25, the price of **zinc** fell 0.7 percent to US\$ 0.82 per pound.

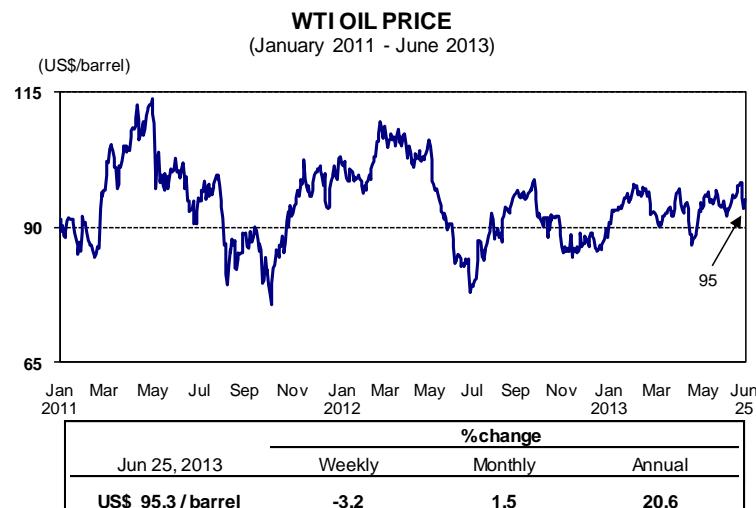
This price fall was mainly influenced by expectations of a lower demand of China after the decline of manufacturing activity in June.



resumen informativo

In the period of June 18-June 25, the price of **WTI crude oil** fell 3.2 percent to US\$ 95.3 per barrel.

This fall in the price of crude is explained by fears that China will reduce its demand for crude oil and by the announcement of the Energy International Agency (EIA) reporting an unexpected increase in the U.S. weekly inventories of crude.

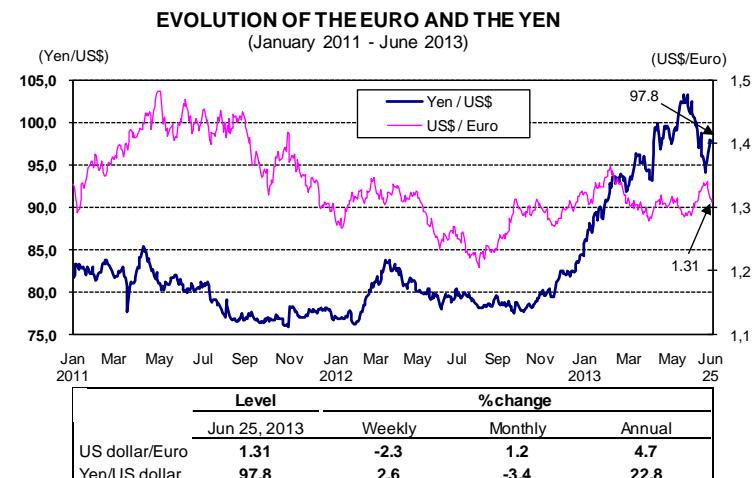


Dollar depreciated against the euro and the yen

In the week of June 18-25, the **dollar** depreciated 2.3 percent against the **euro** to US\$ 1.31 per euro.

The dollar depreciated against the euro due to the possibility that the Fed will reduce monetary stimulus following the publication of positive economic data in the US economy

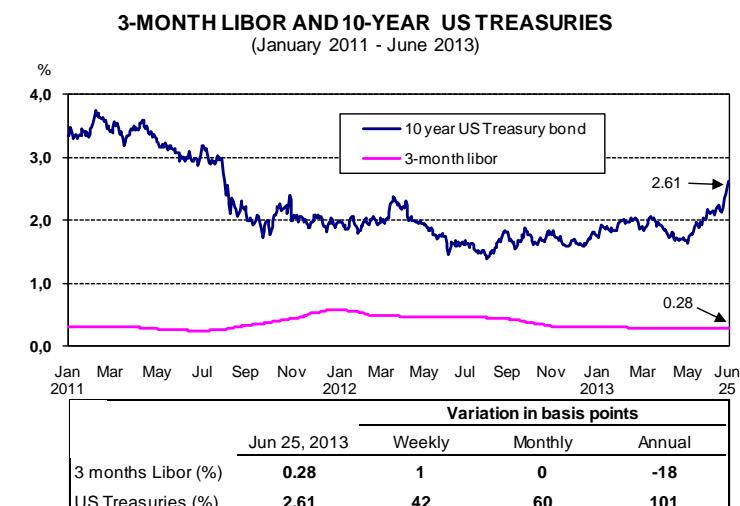
On the other hand, the dollar depreciated 2.6 percent against the **yen** to 97.8 yens per US dollar.



Yield on 10-year US Treasuries rose to 2.61 percent

In the same period, the **3-month Libor** rose 1 basis point to 0.28 percent.

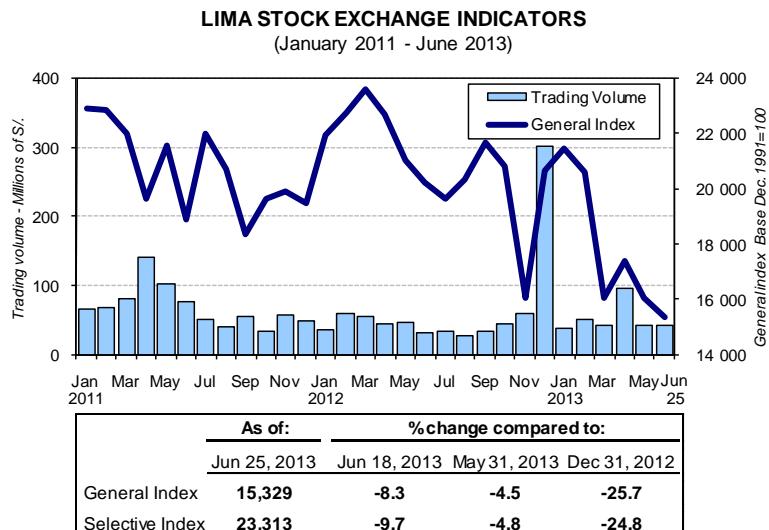
Moreover, the yield on the **10-year US Treasuries** increased from 2.19 to 2.61 percent due to the publication of positive economic indicators in the USA and to fears about the reduction of monetary stimulus by the Fed.



Lima Stock Exchange

So far this month (at June 25), the **General Index** and the **Selective Index** of the Lima Stock Exchange (LSE) have fallen 4.5 and 4.8 percent, respectively.

During the week of June 18 to June 25, the General Index fell 8.3 percent and the Selective Index fell 9.7 percent amid declining commodity prices and a weak performance in Wall Street due to concerns about the FED's monetary stimulus program.



So far this year, the indices of the LSE accumulate losses of 25.7 and 24.8 percent, respectively.

